COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

THE APPLICATION OF LOUISVILLE GAS

AND ELECTRIC COMPANY FOR AN ORDER

AUTHORIZING PARTIAL DEVIATION FROM

807 KAR 5:041, SECTION 17(1)

)

ORDER

The Commission received an application from the Louisville Gas and Electric Company ("LG&E") on March 20, 1986, in which it requested authorization to deviate from that portion of Regulation 807 KAR 5:041, Section 17(1), which requires the testing of single phase meters, in the field, at 50 percent power factor. LG&E states that most meters cannot be adjusted for errors at low power factor and further that the results of testing at 50 percent power factor are not required to be used in the calculation of refunds to customers for fast meters or billing for additional charges due to slow meters, and therefore the 50 percent power factor tests appear to be of little significant value to LG&E, the Commission or the customer. LG&E estimates that the costs of testing the meters at 50 percent power factor are approximately \$35,000 per year.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

- 1. The majority of single phase meters in use by LG&E are used for metering residential loads and the power factor of these loads is nearly always above 90 percent; therefore a meter out of tolerance at 50 percent power factor would not introduce an appreciable error into the kilowatt hours registered on the meter.
- 2. The Commission's rules and regulations do not require the use of test information at 50 percent power factor in the adjustment of a customer's bill.
- 3. Many meters which are in use by LG&E, do not have an adjustment mechanism for 50 percent power factor errors.
- 4. The deviation requested by LG&E will reduce the cost to its customers in matters relating to meter testing without reducing the quality of service and therefore the request should be granted.

IT IS THEREFORE ORDERED that the deviation from the requirements for testing single phase watt-hour meters at 50 percent power factor as requested by LG&E in its application received March 20, 1986, be and it hereby is granted.

IT IS FURTHER ORDERED that LG&E continue to test new and reconditioned single phase watt-hour meters at 50 percent power factor as required by Commission regulations.

IT IS FURTHER ORDERED that LG&E shall file a new tariff incorporating this deviation within 20 days from the date this Order is received.

Done at Frankfort, Kentucky, this 16th day of April, 1986.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Sure II Williams J

ATTEST:

Secretary